DEPARTMENT of ENVIRONMENT and NATURAL RESOURCES
Unificials & Mining Program - Oil & Gas Section
2050 West Main, Suite #1, Rapid City, SD 57702-2493
Telephone, 605-394-2229, FAX: 605-394-5317

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APR 15 2008

DEPT OF ENVIRONMENT & NATURAL RESOURCES - RAPID CITY

DEP DEPORTUSES OF PERMIT TO DRILL

1 19	of Com						
Type of work:	Reenter We	ell Drill Direct	ional Well	Type of well: Oil Well	✓ Gas Well	Injection	
Other							
Name and Address of Operator: Spyglass Cedar Creek, LP. 595 S. Castell Ave., New Braunfels, Texas 78130 (830) 626-7100							
Name and Address of Surface Owner:							
State of South Dakota							
Name and Address of Drilling Contractor and Rig Number: Elenburg Exploration Rig 8 1910 N. Loop, Casper, WY 82602							
Surface Location of well: Qtr-Qtr, Sec, Twp, Rge, County, feet from nearest lines of section, and latitude and longitude (if available): 1940' FEL, 1960' FSL Sec.35							
				5.478468771 Long	. = -103.593631	111	
If Directional, top of pay and bottom hole location from nearest lines of section:							
Acres in Spacing (Drilling) Unit Description of Spacing Unit							
320 This sec 35 T18N R4E, $5/2$							
Well Name and Number Elevation Field and Pool, or Wildcan				Pool, or Wildcat	Proposed Depth a	nd Formation	
State 10-35		3000	Widcat		2200 Eagle/Shannon		
Size of Hole 1) 9 7/8 2) 6 1/4 3) 4)	Size of Casing 7 4 1/2	Weight per Foot 17 10.5	Depth 430 2200	Cementing Program (200 sks, Class g 2 .25#SK Celloflake, 105 SKS, Lite 150 125 SKS G 1% Ca	% CaC12 100% excess 0, 2%CaCl25 ICi, .7%CFL, .25	Surf 2200 to #/sk surf	
Describe Proposed Operations (Clearly State all Pertinent Details, and Give Pertinent Dates, Including Estimated Date of							
Starting any Proposed Work). Use additional page(s) if appropriate. Drill with Fresh Water mud to 2200', 12 mil pit liner in place. Anticipated Spud date May 15, 2008.							
This was a result water mad to 2200; 12 this picture in place. Anticipated Spud date May 15, 2006.							
I hereby certify that the foregoing as to any work or operation performed is a true and correct report of such work or operation.							
1		Kevin Sellers		Genera	l Partner	04/14/2008	
Signature		Name (Print)		***************************************	Title	Date	
FOR OFFICE USE ONLY							
Approved By: Wallese.					Title: <u>Oil and Gas Supervisor</u>		
Permit No. 1865 Conditions, if any, on attached page. API No. 40 063 20640					Date Issued: <u>May 22, 2008</u>		